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CLERK
OF THE
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14 SUPERIOR COURT OF THE STATE OF CALIFORNIA
15 COUNTY OF SANTA CLARA

16
17 THE DIRECTOR OF THE DEPARTMENT
OF MANAGED HEALTH CARE OF THE
18 STATE OF CALIFORNIA

19 Plaintiff,

20 v.

21 LIFEGUARD, INC.,

22 Defendant.
23

Case No. CV811257

~~PROPOSED~~ ORDER AUTHORIZING
WIND UP AND DISSOLUTION OF
LIFEGUARD, INC.

Date: January 28, 2003
Time: 9:00 a.m.
Dept: 16

24 Following the filing of a verified complaint, this motion for an order authorizing the
25 wind up and dissolution of Lifeguard, Inc., a California corporation, came on regularly for
26 hearing on January 28, 2003, before the Honorable Kevin E. McKenney, in Department 16 of
27 the above-entitled court. Joan W. Cavanagh, Assistant Deputy Director, Department of
28 Managed Health Care, appeared on behalf of Plaintiff and moving party, the Director of the

1 Department of Managed Health Care of the State of California. Additionally, Steven
2 Schwartz appeared on behalf of moving party, the Receiver, Richard K. Diamond, Esq. No
3 one appeared on behalf of Defendant Lifeguard, Inc., however, counsel for Lifeguard, Inc.
4 was properly notified and served pursuant to the Declaration of Amy L. Dobberteen and the
5 proof of service.

6 This matter having been properly noticed, and proof being made to the satisfaction of
7 the Court that an Order should be made directing the Defendant corporation be wound up
8 and dissolved,

9 **IT IS HEREBY ORDERED AND DECREED:**

- 10 1. That Lifeguard, Inc., a California corporation, be wound up and dissolved.
- 11 2. That the Court appointed Receiver, Richard K. Diamond, is directed to conduct
12 the winding up of the affairs of the corporation, subject to the supervision of the Court.
- 13 3. That the corporation shall cease to carry on business except to the extent
14 necessary for the beneficial winding up thereof and except during the period that the
15 Receiver may deem necessary to preserve the corporation's goodwill or going-concern value
16 pending a sale of its business or assets or both, in whole or in part.
- 17 4. That the Receiver, Richard K. Diamond, causes written notice of the
18 commencement of these proceedings to be given by mail to all known creditors and
19 claimants whose addresses appear on the records of the corporation.
- 20 5. That notice the notice referenced above to all creditors and claimants be
21 published not less than once a week for three consecutive weeks in the San Jose Mercury
22 News, a newspaper of general circulation printed and published in Santa Clara County,
23 California and that a copy of the notice be mailed to each person shown as a creditor or
24 claimant by the books of the corporation at his/her last known address. Notice of the
25 commencement of these proceedings shall be provided to all claimants and creditors
26 concurrently with the Orders of claims procedures and the establishment of a claims bar date.

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6. That any action presently pending against Defendant shall be stayed, and no actions may be commenced against Defendant, the Conservator or the Receiver, without prior Order of this Court obtained upon noticed motion to the Plaintiff, the Defendant, and the Receiver as provided under Code of Civil Procedure sections 1003 through and including 1020 permitting such action to continue or commence.

DATED: JAN 28 2003

Kevin E. McKenney

JUDGE OF THE SUPERIOR COURT